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**Mobile Gaming in Vietnam**

Launching and Marketing Perspective

Thesis

Kajaani University of Applied Sciences

School of Business

International Business

12.05.2015



School Kajaani University of Applied Sciences	Degree Programme International business
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Title Mobile Gaming in Vietnam – Launching and Marketing perspective	
Optional Professional Studies	Supervisor(s) Liisa Mikkonen
	Commissioned by
Date 12.05.2015	Total Number of Pages and Appendices 58
<p>The aim of this study is to identify the characteristics of the Vietnamese mobile game market from the launching and marketing perspective in order to provide a comprehensive view of the mobile gaming industry in Vietnam. Additionally, the reader can acquire information about digital marketing approaches for a mobile game in general. As the purpose is to conduct a practical research, this study covers only the most critical factors of digital marketing for mobile gaming that the writer concludes from practical experiences and strategies of successful mobile games.</p> <p>On the basis of the 4Ps fundamentals of marketing, this research includes the theoretical background of digital marketing with information about search marketing, social media and measurements. Furthermore, there are critical aspects of mobile gaming, such as game genre, type of gamer, business model, and the lifecycle of a mobile game. For the findings, this study includes the combination of analyses of the Vietnamese market and the case study from an actual firm to analyse the launching and marketing method for a mobile game in particular.</p> <p>It was concluded that the Vietnamese mobile game market is promising but challenging. Understanding the market as well as localization comprehensively is important in order to compete and succeed in the Vietnamese mobile gaming industry. The market will keep growing in the next few years; quality games with appropriate strategies are the keys to successes.</p>	
Language of Thesis      English	
Keywords	Mobile gaming, Vietnam, Digital marketing, Search marketing, Social media
Deposited at	<input checked="" type="checkbox"/> Electronic library Theseus <input checked="" type="checkbox"/> Kajaani University of Applied Sciences Library



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## Glossary

Ad	Advertisement
ARPPU	Average Revenue Per Paying User
ARPU	Average Revenue Per User
CAC	Cost to Acquire a Customer
CAGR	Compound Annual Growth Rate
Churn-rate	The percentage of subscribers to a service that discontinue their subscription to that service in a given time period.
CPC	Cost Per Click
CPL	Cost Per Lead
CTR	Click Through Rate
CVR	Conversion Rate
DAU	Daily Average User
IAP	In-App-Purchase
K-factor	Growth rate
KPI	Key Performance Indicator
MMORPG	Massive Multiplayer Online Role Playing Game
PC	Personal Computer
PDA	Personal Digital Assistant
PLTV	Play Life-time Value
PPC	Pay Per Click
ROI	Return on Investment
RPG	Role Playing Game
SEA	Southeast Asia
SEM	Search Engine Marketing
SEO	Search Engine Optimization
SERPs	Search Engine Results Pages
SLG	Simulation Game
SMS	Short Message Service
Telco	Telecommunication company
USP	Unique Selling Point
WAP	Wireless Application Protocol

## 1 INTRODUCTION

The fact is, mobile devices have influence significantly the life of everyone nowadays and it affects how we connect, how we entertain, and how we play game especially. For last few years, mobile gaming has become more and more popular. Experts predict that mobile gaming revenue will surpass PC and console game in 2015 for the first time. The industry will keep growing in next few years, and it is forecasted to be worth approximately \$40 billion in 2017. (WhatRunsWhere, 2015)

Along with the growth of mobile gaming industry, there is also the growth of start-up that mobile game developers establish businesses by themselves since mobile game require fewer resources than traditional games. There are many startup gain successes and become a giant later in such a short time. However, many developers are based mainly on technical background therefore they are normally lack of business knowledge. When enter into a mobile gaming market, many startups might face a variety of challenges such as determine business strategy and especially marketing strategy to distribute their products to potential customers. Since there are numerous new games published every day, mobile gaming market is fiercely competitive and reaching the potential customer is challenging. As a result, many startups fail quickly even they can produce a good game.

In brief, advertising and marketing cost enormous expenses of any firms in any industries. Fortunately, along with the growth of digital era, digital marketing is the most efficient strategy for new and small enterprises with limited resources nowadays. In truth, digital marketing is used to marketing a mobile game not just by small but also big firms since it is totally useful for mobile gaming. Even though, if the firms do not have sufficient knowledge and experiences in digital marketing, they will face a confusing world of digital marketing and waste resources on it.

For that reason, this thesis is designed as an introduction to digital marketing especially under mobile gaming perspective. As the purpose to produce a practical research that can be useful for practical work. This thesis will cover only the most important fundamentals of digital marketing and mobile gaming that the writer concludes after conducting analyzes of many successful digital marketing strategies for mobile games.



Additionally, the author chose Vietnam market as specific target segment of this thesis. Because after a practical training period in one of the biggest mobile publishers in Vietnam; the author noticed some interesting points that make Vietnam market tremendous potential but also challenging for foreign businesses. For example, digital marketing is a handy approach for mobile game in Vietnam however they do not apply the theories fundamental and somehow distinct from Western perspective.

The objective of this thesis is to provide an insight for foreign mobile game developers, game studios and publishers into the Vietnamese market. By answer questions: what characteristics that make Vietnam's market potential and how to launch and market a mobile game in Vietnam generally.

In addition, since enter an international market is totally challenging for any businesses in any fields. The strategy varies from products, enterprises, and markets. Through this thesis, the reader can get a comprehensive view of a total promising market, the distinctions of the Vietnamese mobile market, the importance of localization and also understand the potential competitors in mobile gaming industry in Vietnam.

## 1.1 Framework

As mentioned earlier, the author chose specific elements of digital marketing, which are the most appropriate for mobile gaming. Those elements are determined by analyzing the real marketing strategies, combine with author's experiences after implement digital marketing in different projects. Moreover, due to the limitation of the research, it would be impossible to cover every aspect of digital marketing and mobile gaming.

In brief, the author notices that the basic 4Ps (Product, Price, Place, Promotion) of marketing not just apply to traditional marketing but also digital marketing. For that reason, the author decided to use 4Ps as basis to review and analyze digital marketing and mobile gaming.

This thesis will cover theoretical background of digital marketing, mobile gaming at first and then base on the theoretical background to explore and explain deeper the launching and marketing approaches, which are using in Vietnam.

## 1.2 Research method

When doing this thesis, the author faced the challenge of time and geography. The time to complete the thesis is short and the distance obstacles between Finland and Vietnam. Thus, a specialized methodology would be unattainable, insufficient research opponents may lead to incorrect results.

Accordingly, this thesis is based on two empirical researches instead, first is selective facts and numbers from reliable sources about the Vietnamese market and second is case study analysis. The reason to use both those two researches is because they will be the supplement to each other, which provide a comprehensive view of Vietnam market but still practical and reliable. These sources will provide a practical and accurate insight about Vietnam's market. Furthermore, due to legal and ethical reason, the facts and real name of products and companies in the case study will be modified.

## 2 THEORETICAL FOUNDATION

### 2.1 Digital marketing

A long time ago, traditional marketing appeared as a method of gaining awareness of customers about products or services, which is a necessary tool ever since people have their own businesses. Historians have found the most basic methods of marketing were employed since ancient's time such as word of mouth, posters, signs or flyers. People tried to use marketing activities in whatever media and communication channels at the time to influence other people and gain awareness of particular services or products. Look at the history of marketing, it can be seen that marketing always intertwine with the developments of technologies and the way people access information. For instance, since the television emerged, the first TV ad was produced right away, and TV ads significantly surpass the printed ads or radio ads, which were used commonly before. (Digital Marketing Magazine, 2015)

From the 20<sup>th</sup> century, the marketing landscape has been impacted and changed significantly due to the rapid evolution of digital media, especially the emergence of Internet. New forms of marketing appeared, and the dawn of digital marketing age was born. The term “digital marketing” was first used in 1990s, and it is also referred as Online Marketing or Internet Marketing. There are numerous definitions of digital marketing that are confusing. As explained by Kotler (2009), “digital marketing communication refers to communication and interaction between a company or brand and its customers using digital channels (e.g. the Internet, email, mobile phones and digital TV) and information technology”.

Additionally, digital marketing is defined as “the process of building and maintaining customer relationships through online activities to facilitate the exchange of ideas, products services that satisfy the goals of both parties.” (Mohammed et al, 2003)

It is necessary to mention that digital marketing is somehow similar to traditional marketing that technology is not the primary aspect of digital marketing. It is all about people; it is about the connection between marketer and consumers which leads to relationship and drive sales. (Ryan & Jones 2009)

The digital revolution has affected consumers tremendously; consumers have much more control as never before, and the consumer mindset has changed as the evolution of the marketplace. Brian mentioned in his book about the prosumers as “customers who actively engage in product development and/or marketing concept development by means of online open source software”. He also pointed out that the balance of power between marketers and consumers has altered. Nowadays, consumers can control purchasing process, also the marketing message they see.

Along with the technology revolution, the term Consumer 2.0 was also conceived to describe a “set of behaviors related to how consumers interact with information in the context of the purchase decision lifecycle.” Consumer 2.0 tends to access digital information, less affected by brand-sponsored advertising, apt to shopping online and seeks for other people’s experiences when purchasing. In order to keep connecting with customers, marketers need to adapt to those changes. (Rewardstream)

The fact is, digital marketing is valuable for almost every business. The advantage of digital marketing over traditional marketing is that, marketers can measure results easily. In addition, there are some other features of digital marketing, for instance, targetable, optimizable, addressable, interactively, relevancy, viralable, accountable. According to Ryan & Jones (2009), the digital marketing is described as “an iterative process of continuous improvement and refinement”. Marketers can monitor and analyze the outcome of a campaign in real time.

Based on actual data about customer’s characteristics and behaviors, a marketer can decide the best strategies and the most beneficial investment. Marketers can measure everything, test, refine and retest the campaign. Nowadays, marketers have an unprecedented number of ways to connect with customers by using different numbers of digital marketing channels.

Following is the brief definition of several digital marketing channels.

### 2.1.1 Search marketing

Back in the day, due to the booming of number of websites in 1990s, the search engine was developed as purpose to help people find information rapidly. Consequently, search engine

marketing (SEM) approach became popular. The idea to utilize SEM is straightforward: “the chances of a potential customer stumbling across your site while randomly browsing the web are practically negligible”, which means people need to be influenced somehow to know about your website (Ryan & Jones, 2009). On the other hand, most Internet users access new websites by simply type some phrase about what they want to look for and get responses from one of the popular search engines such as Google, Bing, Yahoo.

“Search engine marketing (SEM) is defined as a form of Internet marketing that involves the promotion of websites by increasing their visibility in search engine results pages (SERPs) through optimization and advertising” (Roberts, 2012). Similarly, another definition is “search marketing is the process of gaining traffic and visibility from search engines through both paid and unpaid efforts” (Searchengineland)

Ryan & Jones (2009) argue in their book that search engine benefits both user and marketer. Search engines satisfy user’s interests by provide quickly valuable, and relevant information among unlimited resources on Internet. Alternatively, search engine is a distinctive opportunity to connect with the customer at the point of interest. The advantage of SEM is obvious, according to Boone (2013); approximately 90% of customers research a product by using the online search engine.

How does a search engine work?

In general, a search engine works by “copying webpages, store information about the content on those webpages and uses that information to respond to a search.” It is a system, which is developed with the complex mathematical algorithm, provided by search engines companies such as Google, Microsoft. The following picture describes briefly how search engine interacts with websites and seek for information.

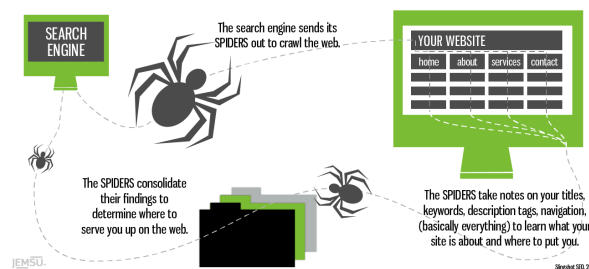


Figure 1. The search engine system in nutshell (Jemsu, 2013)

There are two basic forms of search marketing: organic search and paid search. Organic (natural search) is a free function provided by search engine companies. The results are listed on the main body of the search engine results page (SERP) based on the perceived relevance of the website, as a ranked list. However, there is no guarantee for a particular website to be founded by search-engine spiders; more likely it is not on top of the list, which means customer probably will visit competitor's site first. In contrast, the emergence of paid search is a guaranteed way to attract visitors to the website. Marketers can pay a fee to have a placement display on the SERP. The cost is calculated by either the clicks on or views of the ads. Both organic and paid search listings appear together on the SERP but in different positions as illustrated in following picture (Hubspot).

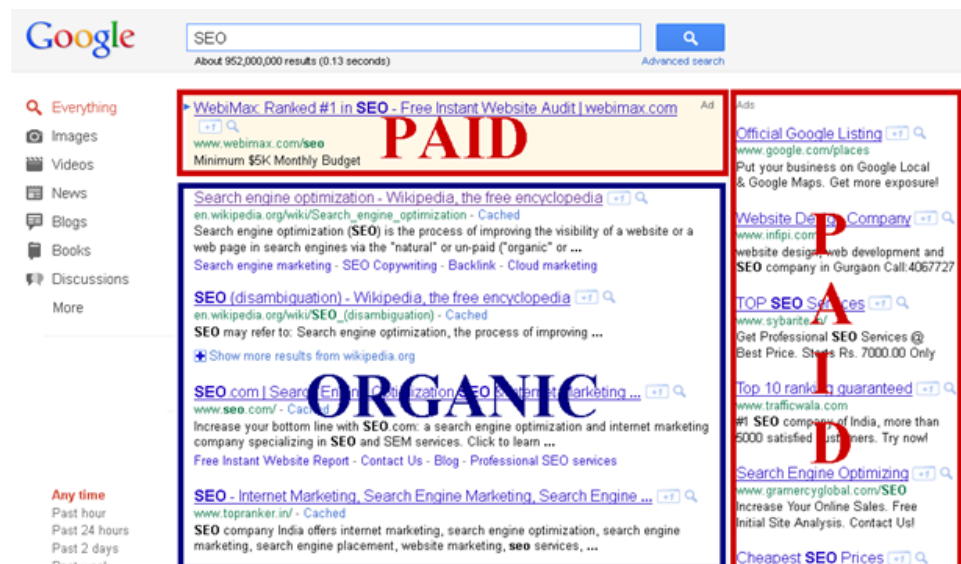


Figure 2. Organic and paid search result positions

### 2.1.2 Social media

According to Ryan & Jones (2009), social media is the umbrella term for various web-based applications and services. Anybody can go online, communicate, discuss, and exchange information, ideas with everybody in any kind of social interaction (e.g. audio, text, images, video and other media). In addition, nowadays is the generation of consumer-generated content distributed (Sterne, 2010). Publishing content is extremely simple now, which leads to the skyrocket in number of using social media. Web users can create new content about any topics on various platforms. For instance, recommendation and sharing of content;

reviewing brands, services, products; sharing experiences and ideas; discussing hobbies, and shared interest. It is not new that people communicate with each other, but these days they are communicating online to more extensive groups of their peer without temporal, cultural and geographical boundaries (Ryan & Jones, 2009). Figure 3 below demonstrates how people are related to business activities on web-based and social technology. Social media is a new source of information for consumer to make wise choices with the support of other people. Due to the widespread sharing, information is now available to everyone, not only a privileged class of individual like before.

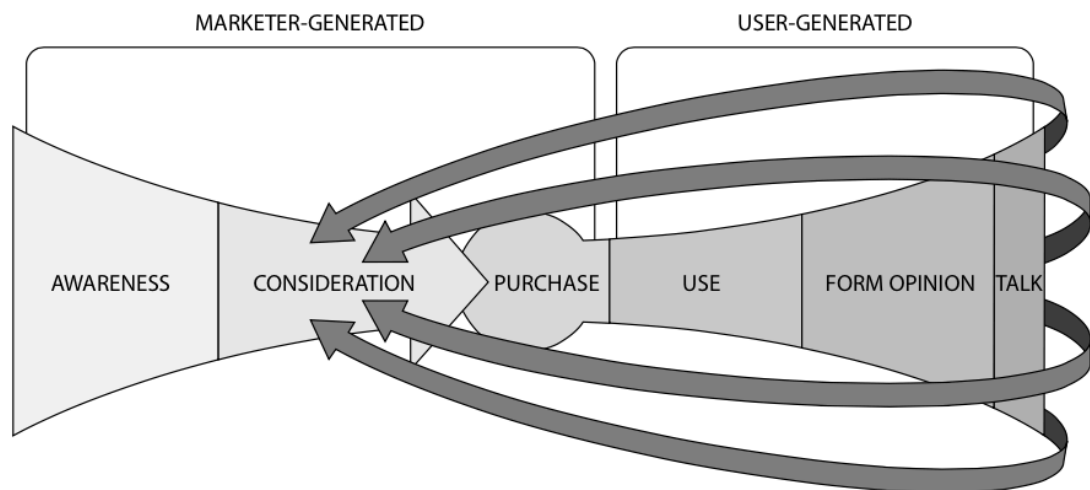


Figure 3. Social Feedback Cycle (Evans & McKee, 2010)

In fact, there are opportunities for businesses from the changes of consumerism and growth of social media as well as responsibilities. It is the opportunity to foster a productive, and scalable relationship with customers, gain insight into customer perceptions, based on vast amount of data that customers make on social media. The responsibility is also obvious that it is necessary for businesses to participate in the conversation of customers, listening and engaging or the competitor will be in charged. (Moz)

#### Social Media Channels

Normally social media websites are a mix range of different social components, and there are numerous websites now on Internet. In general, there are six main forms of social media, which are described briefly following:

**Social Networks** – Social media sites allow user to connect with other people of similar interests and background. Usually each user owns a profile, and might interact with other users in various ways. Those services also let people to setup groups of friends, with whom they can share a variety of stuff, such as videos, news, games, and sport. Some famous names are Facebook ([www.facebook.com](http://www.facebook.com)), LinkedIn ([www.linkedin.com](http://www.linkedin.com))

**Bookmarking Sites** – Bookmarking sites allow users to save the bookmark to their favorite resources around Internet, organize and manage them by using “tags” (labels to find and share content easily). The most popular brands are StumbleUpon ([www.stumbleupon.com](http://www.stumbleupon.com)) and Delicious ([www.delicious.com](http://www.delicious.com))

**Social News** – Social News sites allow people to submit and discuss various news items or links to outside articles and then user can vote on particular issues. The voting is a crucial aspect as the items, which get the most votes are displayed the most prominently. These sites can provide insight into the way communities think and react. Some well-known sites are Digg ([www.digg.com](http://www.digg.com)) and Reddit ([www.reddit.com](http://www.reddit.com))

**Media Sharing** – Media sharing sites are common that allow user to upload, share, comment and discuss various types of media like photo, video, music. Most services have additional social features such as profiles, commenting. The most popular sites like Flickr ([www.flickr.com](http://www.flickr.com)), YouTube ([www.youtube.com](http://www.youtube.com)), Slideshare ([www.slideshare.com](http://www.slideshare.com))

**Microblogging** – The services that let user posts short updates to keep their friends up-to-date. The most famous is Twitter.

**Blog Comments and Forums** – Online forums appeared since the early days of Internet, where people can signup and start discussing with communities on interested topics. Blog comments are a similar concept as forums but they are attached to particular blogs, and usually the discussion happens around the theme of the blog’s post. There is a large number of popular blogs and forums on the Internet.

(Grahl)



### 2.1.3 Measurements and analytics

The fact is, everything can be measured in the digital marketing world. Every action consumer does online turn to data for marketers to measure and analyze. It can be a great advantage, but it does have countered productive. Decide appropriate measurement and avoid unnecessary data seem like the confusion sparks to many marketers. An accurate measurement and analytic processes make digital marketing totally valuable and efficient. (Ryan & Jones, 2009)

As mentioned earlier, digital marketing consists a variety of tools, and each tool has its own meaning of measuring with tons of data. Therefore, there are multiple types of metric vary from digital marketing aspects. In other words, depends on marketing objectives, the key performance indicators (KPIs) are what marketer and business owner need to figure out.

According to Digital Marketing Philippines, there are three primary groups of metric, based on the flow processes of any digital marketing campaign:



Figure 4. The processes flow of a digital marketing plan (Digital Marketing Philippines)

The firm listed some examples of metrics for three stages of a digital marketing plan as below:

#### **Traffic Metrics**

Metrics are important for SEO (Search Engine Optimization) and PPC (Pay-Per-Click) digital marketing approaches. These metrics are used to measure and monitor the traffic generation phase.

Overall Site Traffic

Metric to provide insight into the effect of a specific digital marketing approach, which illustrates the flow of traffics to a website. Besides monitor page views and the total number of visits to website, the unique visitors of website weekly and monthly (number of distinct individuals requesting pages from the website on specific period) are also important. More unique visitors bring more potential customers.

### Traffic Sources

These metrics provide insight into the keywords and the origin of website that send traffic to the website. Based on the results, marketer can adjust the digital marketing actions to focus on productive elements.

### Mobile Traffic

Since mobile Internet has become popular now, it would be huge number of potential customers come from mobile marketing that marketers need to be aware. Moreover, from the mobile traffic, marketer also can adjust their marketing plan and content to gain better engagement results with both mobile and non-mobile visitors.

### Click Through Rate (CTR)

When using the PPC approach, marketer can use CTR metric to know the ratio of clicks on the display ads and measure the success of the campaign. A higher CTR means an efficient campaign that the campaign reaches the target customers. Moreover, CTR metric affects directly the Quality Score and the campaign expenses.

Formula:  $\text{Click Through Rate} = (\text{Total Clicks on Ad}) / (\text{Total Impressions})$

### Cost Per Click (CPC)

CPC is the cost for every time an individual clicks on the ads. The CPC budget for keywords, keyword phrases, and categories can be set through bidding system or directly set a maximum price for once.

### Conversion Metrics

This metric is critical for business since it shows the rate of visitor lead to purchases (generate revenue), which is the primary goal of the digital marketing campaign.

### Conversion Rate (CVR)

“The conversion rate is the proportion of visitors to a website who take action to go beyond a casual content view or website visit, as a result of subtle or direct requests from marketers, advertisers, and content creators.” (Schneider, 2013)

Formula: Conversion rate = (Number of Goal Achievements) / (Visitors)

### Cost Per Lead (CPL)

This metric shows the ratio of lead conversion of a particular campaign and related costs. By reviewing the CPL report, marketer can know if the campaign is profitable or not.

### Bounce Rate

This metric represents the percentage of visitors who enter the site and then leave immediately ("bounce") rather than continuing to view other pages on the same site. It means visitor find the content is irrelevant to their needs. By review the bounce rate, marketer knows what content need to be optimized.

### Average Page Views per Visit

This metric indicates the quality of content that visitors decide to stay on the page longer and read further content or not. The more page views generated from each visit means, the higher rate of engagement. In other words, more chances for leading to purchases.

Formula: Average Page Views per Visit = Page Views / Visits

### Average Cost per Page View

The average amounts of money marketers have to pay per page view. This metric is used to manage the efficient of the paid marketing campaign such as PPC. The cost per view needs to be smaller than the generated revenue from the page as purpose to gain profit.

### Average Time on Site

This metric demonstrates the engagement of visitors by count the average times that visitors spend on the page. It means the relevance of content and drive to trust and commitment of visitors.

### Rate of Return Visitors

A high rate of return visitors means the content is more attractive, and it is worth to coming back for visitors. If the rate is low, it means the page attracts only new visitors and in contrast high rate means the page does not attract enough new visitors. An ideal rate varies strongly from businesses and goals.

### Revenue Metrics

Revenue is the most important goal of any businesses. On the other hand, the final income determines whether the digital marketing campaign success or not. Otherwise, adjustments are necessary in order to have the better engagement, higher conversion, and more revenue.

#### Return On Investment (ROI)

By reviewing ROI metric, businesses can know which approaches lead to sales and revenues, which are not worth the investment. Adjustment is necessary to have a proper ratio of ROI, which means spending money wisely. It is one of the most important metrics to evaluate the success that every digital marketing campaign needs to use.

Formula:  $\%ROI = (\text{Revenue} - \text{Investment}) / (\text{Investment})$

#### Cost to Acquire a Customer (CAC)

This metric means the price to acquire a new customer. CAC is a critical calculation of any marketing plan, in order to guarantee the money is spent on the right spot.

Formula:  $CAC = MCC / CA$

CAC = Cost of customer acquisition

MCC = Total marketing campaign costs related to acquisition in period of time

CA = Total customers acquired

(Digital Marketing Philippines)

## 2.2 Mobile gaming

According to the purpose of this research, mobile game is only referred to the game, which is developed and played on smartphone and tablet in particular. In addition, this study covers only mobile games, which are available on the most popular platforms on smartphone and tablet in the market nowadays, for instance, Apple iOS, and Google Android platforms.

### 2.2.1 Overview

Jeong and Kim (2009) argued that there are many different definitions and terminologies of mobile games. They cited one definition that mobile games or mobile network games are “games conducted in handheld devices with network functionality”, which are games are played on a handheld mobile device, such as mobile phone, smartphone, PDA, tablet computer. In this term, the characteristics of mobile games are “portability”, “accessibility”, “simplicity” and “networkability” that differentiate mobile games from other platform games like PC or console.

On the other hand, there is a broad definition of mobile games that all games in portable devices can be considered as mobile games even without wireless function, as mobile games are “embedded, downloaded, or networked games conducted in handheld devices such as mobile phones, portable consoles, and PDAs”. This concept covers the game market widely. (Taniar, 2007)

### 2.2.2 Types of game

“A genre is a category of games characterized by a particular set of challenges, regardless of setting or game-world content. “ (Rollings & Adams, 2003)

In general, a game genre is determined by the gameplay, what challenges that gamers might face and how they deal with those challenges. After more than 40 years of the gaming industry, there are many genres have been developed. (Adams, 2009)

However, due to the distinction between PC or console and mobile devices, the mobile game's genres are slightly different from traditional video games. For instance, the gameplay and mechanics are modified to be more suitable for mobile user's experiences.

The following table explains some popular mobile game genres briefly.

Table 1. Types of mobile game (PeterJensen, 2013)

Casino	Emulators of the real casino games such as slots, Bingo, Poker, Blackjack.  Examples: Texas Poker, Bingo Blitz, GSN Casino
Collect and combat (Pokemon clone)	There are two types of game; one is card battle and the other is the band battle with eye-catching anime graphics. The gameplay is player use creatures in-game to fight and collect more and stronger creatures.  Examples: Rage of Bahamut, HellFire, Lord of the dragon
Controller emulator	The games which are played on a virtual controller on smartphone devices in order to provide better feeling for gamer by using closely related gameplay and mechanics to the physical controller. There are various types of games such as racing, fighting, shooting.  Examples: Fifa Soccer, Need for speed, GTA
Lane runner	The player needs to control an automatically moving object in-game by swiping the screen to left or right and up or down in order to avoid obstacles while continually moving forward at high speed.  Examples: Temple Run 2, Subway Surfers
Match three	The gamer merely needs to swipe the screen to match three or more entities of similar color block or item in order to get high score and pass the level.

	Examples: Bejeweled, Candy Crush Saga, Puzzle & Dragons
Resource management multiplayer strategy	<p>The idea of this type is, the gamer has to gather and manage his resources in order to develop his base and compete in PVP (Player versus Player) or PVE (Player versus Environment).</p> <p>Examples: The Hobbit, Clash of Clans, Dominations, Age of Chaos</p>
Pet, Dress up and House	<p>The gameplay is similar to dollhouse play and “tamagotchi” games that gamer collects different dolls or pets, build places, feed, dress up and play with them.</p> <p>Examples: Dragonvale, Dragon Story, Dragon City Mobile, Dragon Skies, Campus Life, The Sims™ FreePlay</p>
Play Around	<p>The idea is players can entertain and play with their devices by do whatever they want with different objects. The player can swipe, tap and drag objects on the screens.</p> <p>Examples: Draw Something 2™, Kick the Buddy: Second Kick</p>
Skill shooter	<p>The game is quite simple and easy to play by applying real objects and activities to the game. There are specifics targets and player with his skills to shoot down those targets in order to get scores and turn to next level.</p> <p>Examples: Angry Birds Star Wars, Mini Golf MatchUp, Super Stickman Golf, Guncrafter</p>
Social tap economy	<p>The game simulates some sort of economy development that gamers have to manage and grow their resources by interact with other gamers and “tap” the objectives few times per day.</p> <p>Examples: Hayday, Metropolis, Tiny Towers, Pixel People, The Tribes, Simpsons Tapped Out.</p>

Tablet top games	Emulators of real life board games on mobile devices.  Examples: Scramble With Friends, 4 Pics 1 Word, Scramble With Friends Free, Dice With Buddies.
Tower defense	The gamer needs to build towers in order to against the attacker. The attackers move in lanes, or random patterns and player builds automatic defense system to keep the enemy away a precise spot.  Examples: Bloons TD 5, Kingdoms Rush Frontier

Understanding and defining the type of game is one of the fundamental steps in developing and marketing a particular game. For a developer, the game genre is a key element of game design that represents the concept, the creativity of developer, game structure, gameplay, interface setting, and theme. For a marketer, a game is a product; understand the product comprehensively is a must before build any marketing campaign. Moreover, it is about the insight, the market segment, the customer's needs and desires. Different types of customer such as race, gender, age, culture have different game genre preferences. For example, the following graph is made by Inmobi in 2014 to demonstrate the differences of game preferences between USA, China, and Korea gamers.

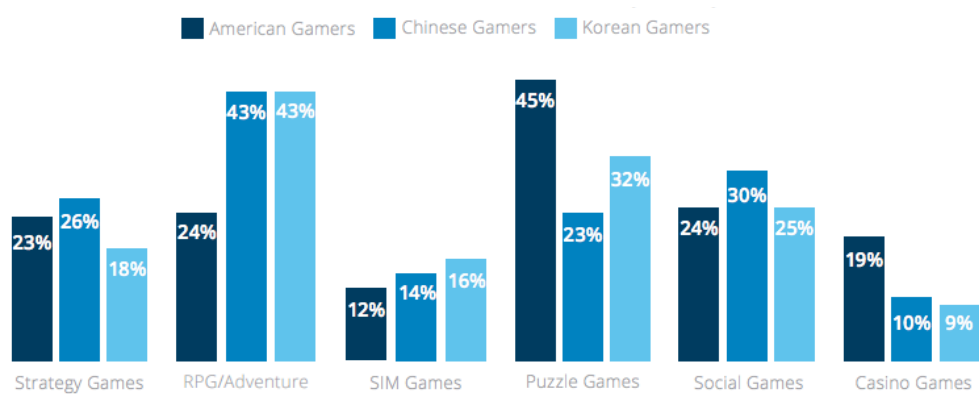


Figure 5. Mobile Game Genre Preferences in America, China, and Korea (Inmobi, 2014)

In addition, research conducted by Flurry in 2014 illustrates the differences of favorite game's genres between male and female mobile gamer. For example, female gamers prefer



solitaire and simulation game and spend plenty of time to play those types while male gamers prefer card battle more.

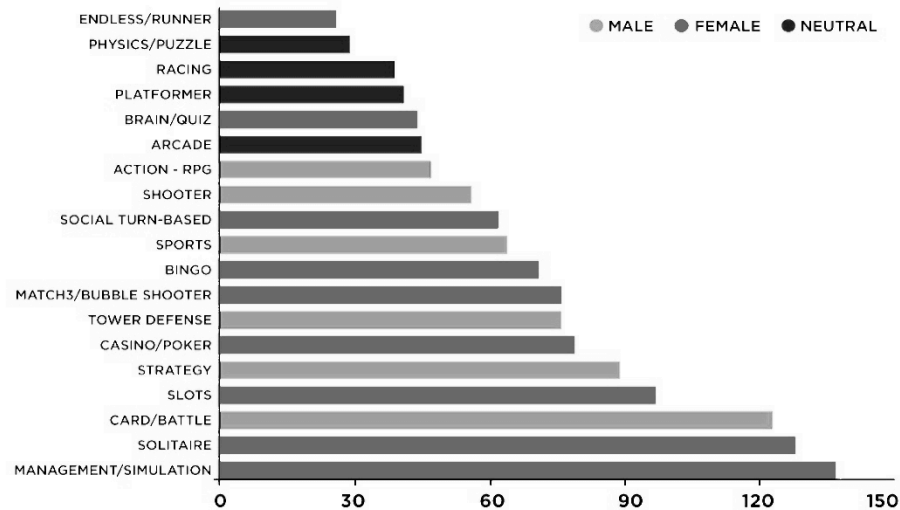


Figure 6. Time spend per user per week on different game genres (Flurry Analytics, 2014)

People tend to seek for what they like that explain why there are categories for any products in any store to provide better experiences for customers. Likewise, Apple Appstore or Google Play also has categories and subcategories for apps and games. Each category or subcategory has its characteristics and features to classify a game or app. On the other hand, that is might also be a segment to market a mobile game.

### 2.2.3 Types of gamer

In general, gamers are the targeted customers of the mobile game marketing campaign. Gamers can be classified by many characteristics, for example, gameplay preferences, time spending on playing game, purposes, and behaviors. Thus, there are various types of gamers have been defined. According to Rollings & Adams (2003), there are two main groups of gamers, casual gamer, and core gamer.

Firstly, core gamers play many games; they consider gaming as a hobby that requires spending time and money. Normally, core gamers are competitive, and they prefer challenging game; harder is the better sense of achievement when defeating the game. Besides playing games, core gamers participate actively to gain more game related information like subscribe

to a game magazine or news website. They also can endorse their favorite games such as develop fan site, joining game communities.

In comparison, the term casual gamer is referred to gamers who mainly play casual games or in other words who play games for entertaining, whether it is competitive or not. They are not willing to spend much money or time on solving a complexity challenge in game; they simply stop playing.

Above are only two most prominent groups of gamers, which are mostly defined under gaming perspective. In practical, it requires much more work to understand and know about the customer. For example, it is possible for a game title to satisfy both casual and core gamer. Everyone has reason to play game that everyone can be potential revenue. If just focuses on one particular group of gamer, the business will miss numerous potential customers. Therefore, under the responsibility of marketer, there are many other criteria to define gamer groups, such as demographics, age, gender, profession. By using a diversity of metrics, marketers can cover more widely and precisely the target groups in a particular market.

#### 2.2.4 Business model & monetization

Simply, business model is the plan implemented on game particularly in order to make value and potentially generate revenue. Monetization is regarding the process of making money from the game. According to Scolastici & Nolte (2013), mobile game belongs to one of those following business models:

##### Premium

Premium model is not used widely anymore in the market now. Within premium model games, people have to pay upfront an amount of money to download the game. In general, the premium model is used by some of the biggest companies in the market that they can produce games with unique selling proposition (USP). For instance, a game with high demand from the market, famous brand, unique features without many competitions. Some favorite premium games like Angry Birds, Doodle Jump, Cut the Rope, Monument.

##### Freemium

In fact, freemium is the most optimal model for a mobile game or app in the market now. A report of appstore analytic from company Distimo illustrates that freemium composes 71% of US Apple Appstore revenues and 90% of Asia market (Distimo, 2013). In contrast to the Premium, the game download is typically free, and the revenue will be generated by in-app purchases (IAPs) for some hidden features.

#### Ad-supported

Ad-supported games generate revenue by showing the advertisement from advertising agencies to gamer; there are various metrics to calculate total revenue for developer depends on the types of advertisement and popularity of the game. Many developers earn considerable amount of money from advertising when their games become well known. However, it is necessary that developer carefully consider which is the most suitable type in-app advertising for his game to not disturb the user experiences, to prevent people quit playing. There are some typical ad-supported games such as Flappy Bird, Temple Run. Some common in-app advertising types are:

**Banner advertising:** Developer displays small advertisement through the app or at specific position on the mobile screen.

**Video:** Developer integrated a short advertisement video (normally 15-20 second in length) during a specific break time of the app or encourages gamer to watch the video voluntarily by providing in-game rewards.

**Offer wall:** Developer creates a win-win situation for the user by showing a page within the game that offers users rewards or different incentives in exchange for spending money or other particular actions. For instance, signing up for another service, share the game on social media, liking fan page on Facebook.

**Hybrid:** It is also possible for a developer to combine various models together in order to have the most useful model. For example, a combination of freemium with the ad-supported game or a mix of premium with in-app purchase game.

(Scolastici & Nolte, 2013)

### 2.2.5 Lifecycle

Similar to other technology products, mobile game also has a lifecycle. The lifecycle below is the adoption of Moore's cycle.

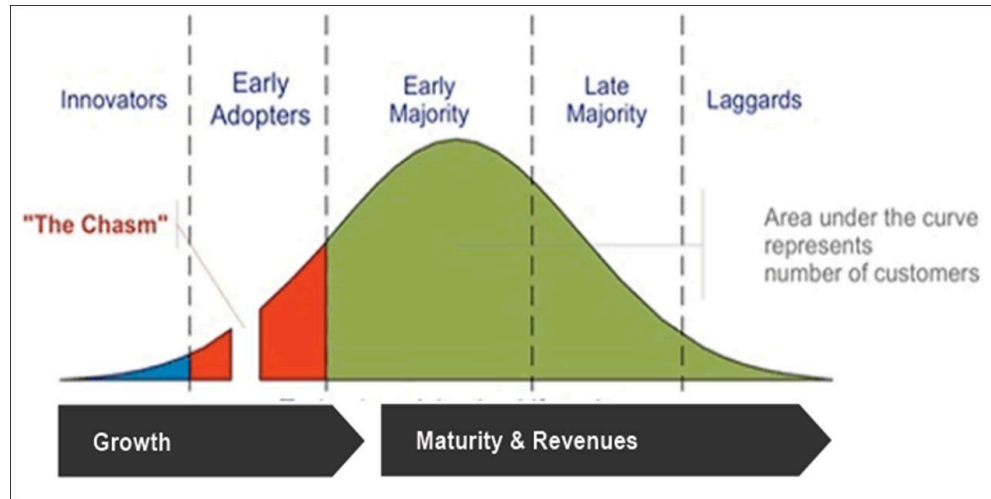


Figure 7. Lifecycle of a technology product (Moore, 1995)

There are various groups of user, distinguished by characteristic responses to a new product in the market. Moore (1995) described in his book those groups as following:

Innovator group consists the first customers of a product. They tend to seek and try the product by themselves without affected by a marketing campaign. The next stage is about the group of early adopters, who also buy the product early because they find the product satisfy their needs. The early majority is the most crucial stage that any businesses need to focus on since it covers the biggest number of customer. This phase includes people who share some ideas as early adopter but have a stronger sense of practicality. They see the benefit of the product, but they tend to wait for experiments of other people before decide to buy for themselves. After the early majority segment is the late majority. People in this part have all the concerns as early majority except, they do not decide to purchase at last. Additionally, they wait for something become standard and prefer an excellent support and tend to deal with well-known companies. The final stage is laggards group, who have no tendency to use the new product at all for various reasons.

Based on the Moore's lifecycle, the Honeytracks firm developed a game lifecycle KPI framework to demonstrate more the life-cycle for mobile game in particular.

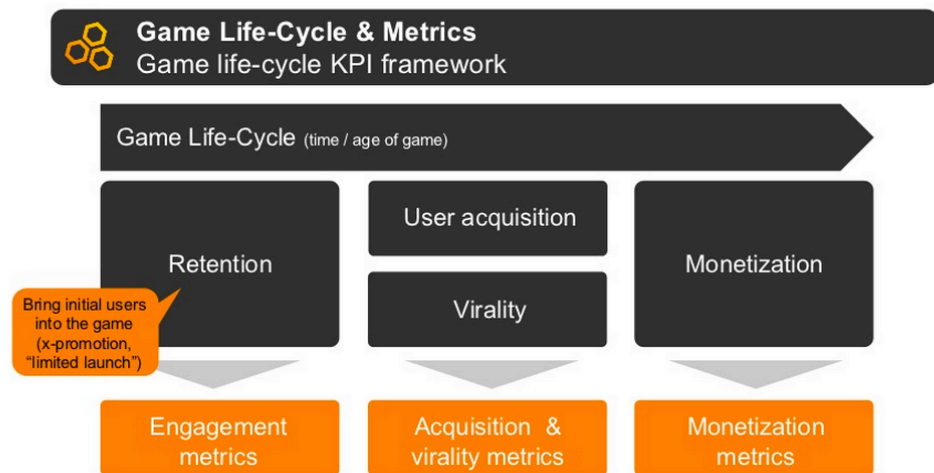


Figure 8. Game Lifecycle & Metrics framework (Honeytracks, 2012)

According to Honeytrack (2012), there are three most important stages of the lifecycle of a mobile game as increasing growth, managing maturity, and maximizing revenue. The first stage is to focus on the retention that customers are motivated to stay with the game and keep playing. During this phase, various engagement metrics are utilized for measuring purpose; for instance, DAU (daily average user), churn-rate (player lifetime), drop-off rate. Honeytrack argues that a game with higher retention rate at the beginning has a greater number of average user monthly, which means more sustainable growth and a strong background for monetization. The next stage is acquisition and virality to gain new customer by apply various approaches to attract people to install and play the game. At this stage, acquisition and virality metrics are used to monitor the campaign. For example, CTR metric (conversion rates), demographic analysis, user acquisition cost, number of sent invites, acceptance rate, the number of viral users by viral source, k-factor (viral growth rate). Finally, the monetization stage is to generate revenue. Some monetization metrics are used such as ARPU (Average revenue per user), ARPPU (Average Revenue Per Paying User), payment conversion rate, average transaction value, PLTV (player life-time value).

In addition, as stated in Tapstream's blog, the lifespan of a mobile game varies from qualities, types of game, operation and each company has its particular secret to keeping the player's interests. In general a game's lifespan is short that the average lifespan of freemium games is less than a year. (Tapstream, 2014)

It means it is critical to get user attention in mass volume as possible. However, an analysis from Swrve figured out that 66 percent of users stop playing a freemium game right after 24 hours, and 19 percent will play the game only once. Although players continue to play beyond the day one, the game is still not success yet. The analysis also pointed out that after a week, the number of remaining gamers is only 16.4 percent and by the 30<sup>th</sup> day, the number is 5.5 percent. Thus, it is obvious that achieving a good acquisition rate is a must, but the long run is much more important. (Trialpay, 2014; Helpshift, 2015)

### 3 VIETNAMESE MOBILE GAME MARKET

For a long time, Asia Pacific is known as the biggest mobile games market all over the world with some very well established markets such as Japan, Korea, and China. However, according to a recent report from Newzoo (2015), not only those three territories but also the South East Asia market has been growing rapidly. The report claims that SEA region is the fastest growing gaming market in the world now with approximately 1 billion dollar revenue in 2014 – and it predicts that the number will double to about 2.2 billion by 2017.

Along with Singapore, The Philippines, Malaysia, Thailand and Indonesia, Vietnam represents its unique potential and attributes. Vietnam has impressive CAGR as 87.7%, the fastest in SEA, second fastest growing smartphone market worldwide, revenue from gaming is rapidly growing year after year and many other characteristics. (Newzoo, 2015)

In brief, mobile game in Vietnam is on its rises and Vietnam is considered as a promising market for mobile gaming since the trend of gamer is switching from playing PC games to mobile games. In addition, the young population in Vietnam, who have grown up and lived with emergence of technology and the booming number of smartphones or tablets. This chapter will cover facts and figures of Vietnam mobile landscape in general and mobile game market, in particular, also the distinct user behaviors.

#### 3.1 Market snapshot

In January 2015, the population of Vietnam has reached 90.7 million with 31% of the population living in urban areas. The number of Internet users keeps growing; after one year from January 2014, the number increased more than 10% and hit 39.8 million (44.4% penetration). Internet became prevailing among young people whose age from 15 to 24 that 95% of this age group get access to the Internet. In contrast to the increasing of Internet users, the mobile subscriptions decreased 4% due to main reason is strict policies to control fake mobile subscriptions of government. In 2015, there are 128.3 million active mobile subscriptions (141% penetration), out of which over 22 million smartphone users. Even though the total mobile connection is high, there are only more than 19.7 million subscriptions us-

ing 3G network, stands for 16%. The snapshot of the country is demonstrated in the Figure below (Wearesocial, 2015).



Figure 9. Vietnam's digital landscape in 2015 (Wearesocial, 2015)

Like most other parts of the world, the Vietnamese market has experienced the fierce competition in smartphone market between Android, iOS, and Windows Phone. However, Android is still leading the market due to its cheap devices with 68% of total users, 20% of total users are on iOS, Windows and others operating system users account for 4% each. (Appota, 2014)

Similar to the growing of social media in the world, the total social media accounts in Vietnam increased significantly, more than 41% compare to the same period in 2014. In 2015, the entire account is 28 million, and Facebook is still dominant with more than 20 million users, follow by ZingMe, Youtube, Google plus. (Wearesocial, 2015)

Furthermore, the mobile messaging app becomes more and more prevalent in Vietnam. All worldwide well-known apps such as Facebook Messenger, Viber, Whatsap appeared on the market, but the most successful in 2014 is a local app named Zalo with more than 22 million registered users. (Appota, 2015)



### 3.2 Mobile game landscape

As illustrated in Figure 10 and Figure 11, gaming is still the most popular activities among smartphone users in Vietnam. There were more than 190 million downloads of 15,000 apps from both iOS and Android users and game category accounts for 58% of total downloads, entertainment, and other categories account for 15% and 27% respectively. Most of those downloads are from official stores Appstore and GooglePlay, besides other channels such as Appota, App360, MWork, ViMarket and also offline distribution. (Appota, 2015)

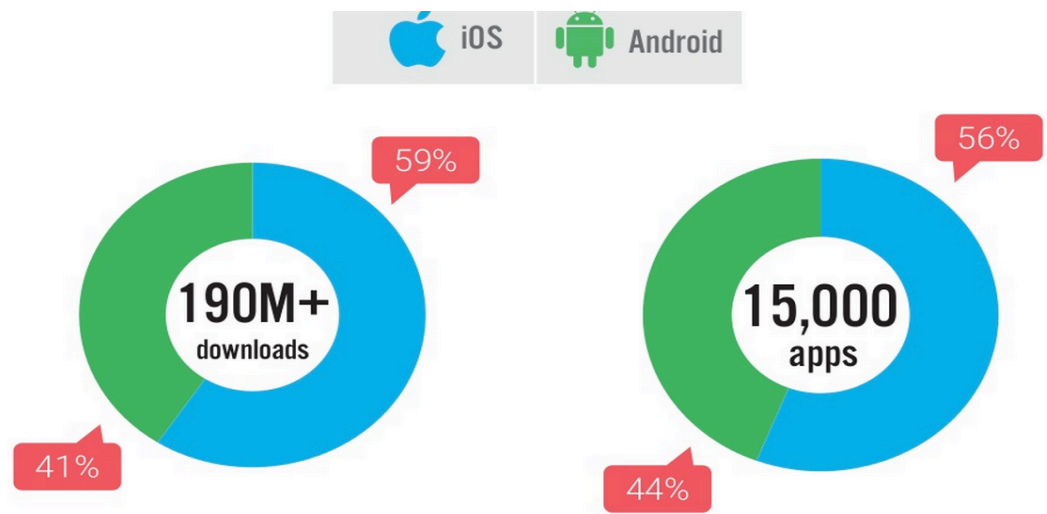


Figure 10. Number of app downloads in Vietnam in 2014 (Appota, 2015)



Figure 11. Percentage of total game, app downloads in 2014 (Appota, 2015)

### 3.2.1 Game preferences

In 2014, the Vietnamese publisher released total 77 mobile game titles, with 1129 game servers. Strategy, card battle, and RPG genres remained the most lucrative games for publishers. In addition, the casual game genre became a trend in 2014 with 25 games published, accounts for 23,8% of total. Three kingdom stories still dominate the market with 24 games released, other favorite themes are European, Chinese Fantasy, Casual, Martial arts, and Manga. (GameK, 2014)

### 3.2.2 Business model & Monetization

In Vietnam, online payment, Internet banking system, and credit cards are in developing stages since it is still inconvenient for users to make purchases online. The most favored methods are still operator billing via network operator by SMS payment (that most revenues come to operators) and offline scratch cards. In addition, the lack of online billing system and the unclear Vietnamese government policies on mobile gaming lead to many limitations and affect significantly monetization model of both developers and publishers. Therefore, the free-to-play model with in-app-purchase is the most prominent model in Vietnam with 90% of total mobile game revenue. Most publishers use only IAP method to gain revenue while the ad-supported model is more common among independent developers. (GameK, 2014)

Under the observation of the author from 2014, there are three main business models for mobile game in Vietnam from different types of enterprises. Firstly, there are publishers who usually seek and contact with foreign game studios, developers, and publishers to sign the contract or buy licenses for game operation in Vietnam. After signing the agreement on operating the game in Vietnam, publishers will be responsible for the localization, launching, marketing and customer support in Vietnam. The profit will be shared base on the agreements. Publishers in Vietnam have the tendency to seek for cheap or free license even the quality is low, and gameplay is nothing special. As a result, they can publish number of game titles to the market. In general, publishers try to gain revenue as much as possible in short-term and do the same business model for any titles. By applying this method, there are many similar games in the market with the same gameplay, theme, or even same graphics.

Thus, some publishers cannot distribute their games on official stores like Apple Appstore or GooglePlay store due to strict policies of copyrights. In addition, the average lifespan of a mobile game in Vietnam is quite short, only from 3-6 months (GameK, 2014). The chart below illustrates the general lifespan of a mobile game in Vietnam from the publishing day.

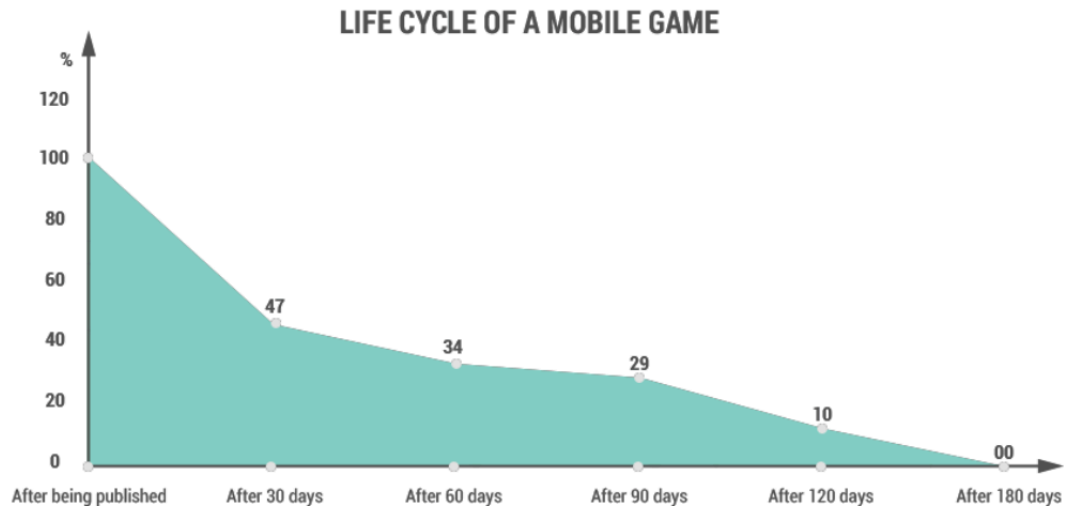


Figure 12. Lifecycle of a mobile game in Vietnam (GameK, 2014)

Secondly, there are also independent developers who develop and publish the games by themselves. However, game design in Vietnam is still undeveloped. It is difficult to find a quality game from local developers. Many developers are still making “clone games” with poor content and quality and without a truly business mindset for mobile gaming. However, the future of mobile gaming in Vietnam seems brighter since there are some local games have achieved successes from both local and global market. Especially, the hit of Flappy Bird in 2014 is like an inspiration for many local game developers.

Finally, the market has experienced the emergence of big foreign firms from all over the world. Since those firms have such good quality games, plentiful business experiences, and Vietnamese gamers start taking the initiative to discover games to play. Foreign companies can publish and market the game to Vietnamese customers without a local partner like before. Typically, all of them are standing at the top of game categories both Apple Appstore and GooglePlay store or even some third-party stores. Some big names are Supercell, EA, Gameloft, Rovio, King, etc. Moreover, not only the well-known games worldwide success in Vietnam’s market undoubtedly without a specialized campaign. There is also the emergence of specialized games for Vietnam’s market from Chinese or Korean firms. Those firms have

their own strategies to enter the market and operate the game by themselves even localization such as translation or customer support. Not surprising for the thesis's author, those games acquire the mass attention of customers right away and gain some achievements already.

### 3.2.3 User behaviors

Vietnamese users have the tendency to hack or jailbreak their phones to have the ability for customization with new functions. Moreover, piracy content is common; a number of premium apps or games can be downloaded easily with hacked phone.

Even though there are more Android users in the market, the iOS users usually spend more that contribute to 67% of total revenue from mobile game in market. The average spend is from 10\$ to 250\$ with 52% of total gamer; 42% of gamer spend less than 10\$ and 6% spend more than 250\$. (GameK, 2014)

### **App discovery**

Browsing app stores is the most common way of app discovery in Vietnam. Recently, along with widespread of social media, Facebook become the second favorite source. Those two methods are used by 58% and 50% of gamer respectively, according to the report of Q&Me. The report also shows that there are 65% of interviewees have downloaded game application by clicking the advertisement. (Q&Me, 2015)

### **Gameplay context**

In general, the game genre, duration and frequency of playing games depend on the time and place in which gamers are playing game. According to Q&Me, the most common place is home, followed by office/school and also coffee shop or restaurant. It is common to meet a single player, or a group of friends plays mobile game while hanging out at coffee shops or restaurants. (Q&Me, 2015)

It is obvious that mobile gaming is totally convenient to play everywhere even when gamers are at work or study. However, unlike many other markets, playing mobile games while traveling in Vietnam is not common since public transport is still underdeveloped, mostly people travel by scooters and motorbikes.

Out of 17 million gamers, there are 56% of gamers are male, female gamers account for 44%. Young people are the most prevalent group, whose age between 20-35 years old. The old generation (older than 50 years old) takes only 2%. In addition, mobile gamers mainly play on smartphone that account for 92% while tablet devices are only 8%. (GameK, 2014)

### Time playing game

The figure below illustrates the time frame when Vietnamese gamers play game. The most often time is from 11.00 to 13.00 and from 20.00 to 24.00. Those time frames fit the idea earlier that the favored places to play games are at home and office or school. (GameK, 2014)

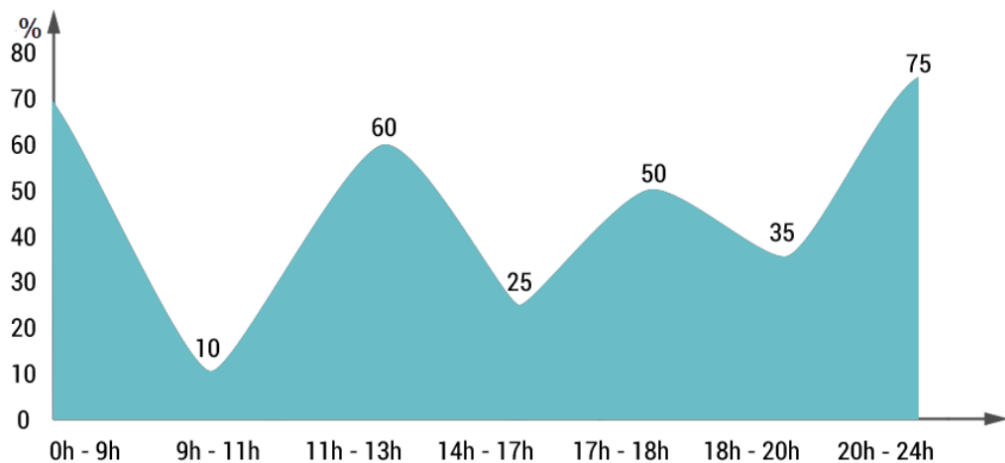


Figure 13. Daily playing time frame (GameK, 2014)

### The age influences gamer's preferences

Following figure exposes the different tastes of game genres between 4 different age groups. MMORPG is the most favorite genre among all groups while young group tend to play more Action RPG; the older group prefer Puzzle and eSport more.

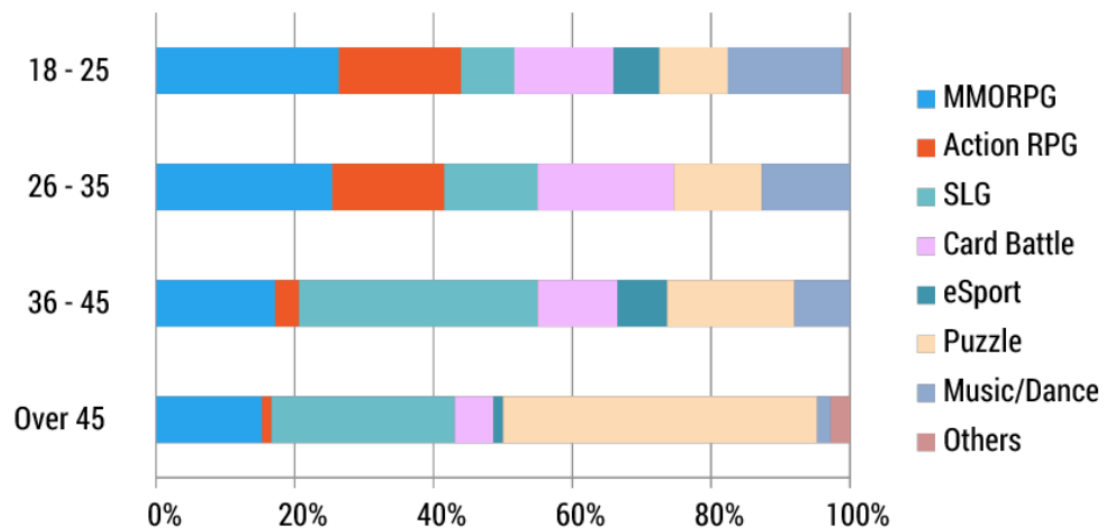


Figure 14. Game genres preference varies from age groups (GameK, 2014)

The characteristics of those genres can explain those differences. Normally, MMORPG and Action RPG are more competitive, complex and require more time spending. In contrast, Puzzle is easier to play, gamer can play in short time, which is more suitable for busy people who need to work much and also spend time for family.

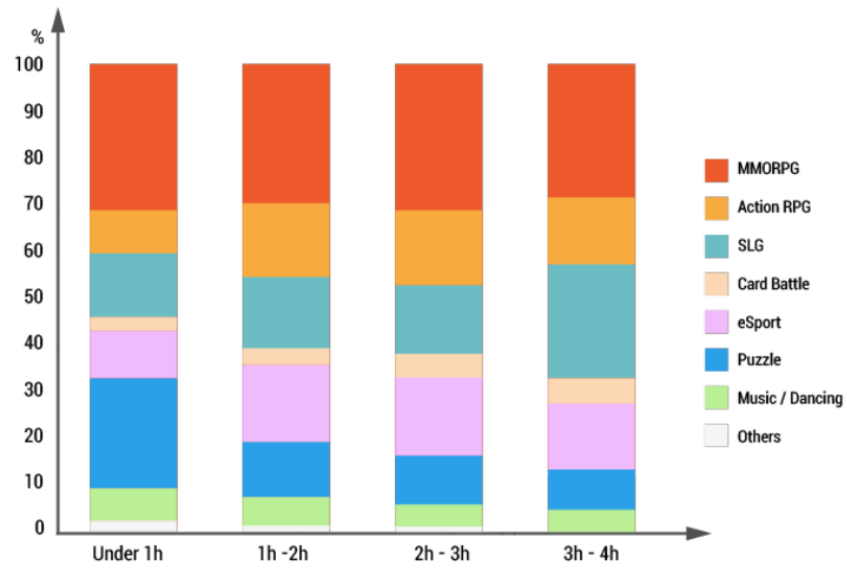


Figure 15. Time spending varies from types of game (GameK, 2014)

Figure 15 shows the average time spending for different types of games. It is clearly to see that gamers spend much more time for MMORPG and RPG. In other words, MMORPG and RPG are likely more complex than other types of game, which have more diverse content and gameplay.

## 4 CASE STUDY

In order to gain the insight into the business model of a Vietnamese publisher, this chapter will cover the processes of a firm from pre-launch stages to post-launch stage based on summary of facts and figures. These data are from various practical business plans, marketing plans, launching plans and business reports that occurred for few months. The insight from this chapter can apply to all Vietnamese publishers in general at the time of this thesis.

TNT is one of the biggest corporations in publishing digital content in Vietnam with some flagships PC games that gain huge success for many years. For the last few years, the firms started doing business in mobile gaming by publishing and operating games from China and Korea. In 2014, the firm made an agreement for a free license and shared profit with a Chinese company for exclusive release the game “VoN” in the Vietnamese market.

### 4.1 Product Overview

VoN is an RPG/SLG game on iOS and Android platform that developed by a Chinese company and it had been operated in the Chinese market before. The theme is the historical eastern fantasy with a touching story about the battle between “evil side and good side”. The game has a classic gameplay that player go through the quest hierarchy from low to high level of difficulty. The characters and items in game are based on five elements of nature system. There are four main types of character in game with different characteristics affect the strategies of players later. The primary objective of player is to compete in the game with other players for higher level of character, stronger character, and valuable items.

The following SWOT analysis is the perspective of the publisher on the VoN game that illustrates the mindset of the publisher into reviewing and valuing this type of game.



Table 2. Case study: SWOT Analysis of the product

Strength
Good looking and attractive graphics
Numerous interesting game feature, incentive system, various regular events, which helps to increase the retention of users
Useful and ease to use guide system, which help a new player to get well with the game quickly.
Gameplay and context are familiar for gamers.

Weakness
The size of installation is huge, which can be obstacle to attracting users who have slow connection
Lack of community feature that reduce the competitiveness and interaction among gamers in same server
Some user interfaces are annoying
Lack of commitment from distributors that are challenging to operate game

Opportunity
The game genre is familiar, and gameplay is interesting that can attract the game communities
The story of game is familiar to most Chinese Martial art stories reader in Vietnam
A complete toolkit, which is possible to make any events on requests

Feature of informing former gamer about new events via SMS
--

Threat
The mobile game market is growing rapidly, challenging to target customers, high investment
Relies heavily on distributors
Threat that advertisement will be banned from official app stores
Requires a specific latency to send the communication message efficiently
Requires an accurate marketing plan

#### 4.2 Marketing Plan

TNT firm determined to use the marketing strategy as integrated marketing communication method that mix various marketing approaches. In order to have a high number of installation as high as possible, the marketing objective is making the game become viral as much as possible by focusing on the values of the game. There are four main marketing approaches, digital marketing, distribution, direct marketing and In-house marketing. The digital marketing consists different channels such as Facebook, Google Adwords, PR, SEO, Forum and social network. Distribution includes a variety of partners like wap network, content distributor, Telco system. The direct marketing approach includes SMS marketing and push notification. The in-house approach includes internal network channel since TNT is a big corporation with various sub-branches and numerous employees.



Figure 16. Case study: Marketing plan

### Target customers

The target customer is people who are between 19-39 years old with 70% male and 30% female, who are living in urban areas. There are three main groups of potential customers as demonstrated in the following table.

Table 3. Case study: Target customers

Group 1	Under 19 years old group, students who are equipped smartphones, accounts for 6% of total players and interested in RPG games, martial arts content.
Group 2	Between 19-24 years old group, students and fresh graduate who can spend time to learn about the game, interested in the strategy game. This group takes 36% of total players.
Group 3	Between 25-39 years old group, white-collar employees, stable career, who play mobile game as entertainment due to lack of spare time. This group is interested in game with strong community base, familiar with martial art gameplay. This group accounts for 43% of total players.

### Target measurement and metrics

This target is based on the game features, ability to attract customers via Facebook and online marketing channels. On the other hand, Table 4 below illustrates the goals KPI of the firm.

Table 4. Case study: Target measurements

Month	Newly registered user (daily)	Newly registered users (monthly)	Total registered users	Loss users rate	Paid user (5%)	Average revenue per user
1 <sup>st</sup>	3000	90000	90000	0%	4500	15e
2 <sup>nd</sup>	1000	30000	120000	30%	4650	15e
3 <sup>rd</sup>	1500	45000	165000	40%	5040	15e
4 <sup>th</sup>	500	15000	180000	45%	3522	15e
5 <sup>th</sup>	500	15000	195000	50%	2511	15e
6 <sup>th</sup>	500	15000	210000	85%	1127	15e

The following table shows the detailed marketing activities plan. Those marketing activities are implemented through four stages of the operation plan. The first stage is pre-launch, testing stage & close beta, open beta & official launch and finally post-launch stage. There are also frequent events, updates and activities in-game as purpose to keep users and increase revenue (more than 60 activities for six months of operation).

Table 5. Case study: Marketing activities

Channel	Activities
Facebook	Promote game and interact with gamers via fanpage
	Build community for gamers to interact with each other via game group
	Attract awareness and installation through Facebook Advertisement
Google	Utilize Google Adwords as search marketing purpose
	Utilize Google Admob to analyze users data
Website	Landing page 1 to gain traffic
	Landing page 2 to gain traffic
	Landing page 3 to gain traffic
	Landing page 4 to gain traffic
	Landing page 5 to gain traffic
Ad- Network	Cooperate with Partner 1 to buy display advertisement on mobile phone via partner 's network
	Cooperate with Partner 2 to attract retention and installation via partner 's advertisement network
	Partner 3 focuses on mobile marketing with its own approaches
	Cooperate with partner 4, which is an advertising agency focuses on display advertising
	Partner 5 is an agency focuses on digital marketing, especially Facebook Ads, PR...
PR	Advertorial with relevant content on various online gaming news and internal sites, produce teaser, organize events.

Offline marketing	Giving out leaflets, small gifts, gift code, sticker to attract awareness for Facebook fanpage and also installation
	PGs (promotion girls) support to promote and invite people to install and test game at cafés in big cities all over the country
POSM	Giving out battery charger
	Giving out t-shirt, leaflet with game icon
Other	Backup activities

It can be seen that 'TNT' firm focuses mainly on digital marketing, especially Facebook channel, PR online and display advertising. The company built a fan page to promote the game to gain attention, organize events like quizzes or competition with rewards to increase the retention rate. The fan page is also communication channel to inform the news, updates.

Moreover, there is also a particular group for gamer that people can discuss and talk about the game. The Facebook ads and Google advertising are focused channels of the marketing strategy of the firm. Since they spend more than 30% of marketing expenses for advertisement on Facebook and 12% of total expenses for advertisement on Google system.

## 5 CONCLUSION

Overall, due to the particular culture, economy, infrastructure, government policies, and user behaviors. The Vietnamese mobile market becomes distinct than other markets. Its characteristics are the obstacles that every foreign firm need to pay attention when entering this territory. Vietnam's mobile game market at this time consists three segments, local publishers with mostly imported games, independent developers with specialized games for Vietnamese and foreign firms with famous games.

In general, the mobile gaming design and develop in Vietnam is still underdeveloped. However, some simple casual games with compelling Vietnamese context have become viral in a short time and bring successes to developers. Especially, after the hit of Flappy Bird in 2014, many independent developers are inspired by the success of the game. In next few years, casual games with viralable factors would be the key to success for developers with limited resources, obtaining more knowledge to integrate into the global mobile gaming industry is crucial.

On the other hand, there are also many global famous games have appeared in Vietnam and attracted a number of gamers even without specialized strategies for the market. The fame and quality of the game are reasonable enough for many gamers. Recently, there is also the emergence of localized mobile games for Vietnamese market from foreign firms. Instead of cooperating with local publishers, those companies built a local team for themselves to localize, promote and operate the game, which means more control more benefits. That trend portrays the temptation of the Vietnamese market.

One interesting point about the Vietnamese mobile market that the market is still dominated by some local publishers because of outstanding number of games in the market. Nevertheless, the quantity of games increasing rapidly but the qualities become disappointing since many games are similar or even copy each other. As Vietnamese publishers still focus heavily on the cheap game licenses from Chinese or Korean developers in order to achieve their short-term business goals.

Moreover, the digital marketing approach is used commonly in Vietnam's market now, especially social media marketing as the growing significantly of Facebook in Vietnam. Mobile game publishers also see Facebook as a useful channel and using most of the busi-

ness features, like fanpage, paid advertisement, and group. It is clearly to see that publishers focus on the digital marketing (Facebook marketing and Google search in particular) since they spend an enormous sum of expenses on those approaches. However, many marketers lack marketing fundamental knowledge as well as the foundations of digital marketing. Generally speaking, many marketers execute marketing strategies like applying formulas without understanding and lack of creativity. For example, look at the general content of marketing on the market, the subjects are quite similar from different game publishers, or the activities, events to promote the games are also similar.

One important thing that the beauty of digital marketing is the ability to measure and analyze. A campaign with many useful metrics that can help marketer gain the insight into the market and adjust their strategies as purpose to have an efficient and effective campaign. However, that factor is not understood comprehensively among many marketers. For instance, there are no specific analyzes on the game, the target customers, the distribution. The marketing plan consists many fictions to figure out the target goals, expenses, however, most likely those numbers are based on marketer's own experiences or estimation. As the consequence, sometimes publishers tend to spend massive amount of money on Facebook Ads or Google Ads. The vital objective is to gain huge number of user acquisition, but afterward they have to spend much money to obtain those acquisitions that many firms more likely fail to convert acquisition to revenue. In addition, publishers face disadvantages when cooperate with media agencies to advertise the game through different channels. Without a detailed calculation, publishers tend to rely heavily on agencies and have to spend great amount of money.

One important thing when doing research about Vietnamese market or mobile game market particularly that researcher and reader need to pay much attention to the accuracy of the information. Referring reliable sources is not enough, it is necessary to value carefully the information provided by some local news or the local firms themselves that there is much confusing information.

Finally, along with the growth of mobile gaming all over the world and fast rising in Asia Pacific. The Vietnamese mobile game market is a spotlight as extremely promising market for any mobile game businesses on the way to conquer the world.





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## LIST OF APPENDICES

Appendix1: [Interview]Vietnamese game publisher VtcMobile on Vietnam 's Emerging mobile game industry (conducted by Mobile Game Hive in 2014)

Available from <http://teamf2psupport.com/blog/customer-support/interview-vietnamese-game-publisher-vtc-mobile-on-vietnams-emerging-mobile-game-industry/>

**Mobile Game Hive: What is the situation of mobile gaming in Vietnam? Why do you think it will be a good idea for international game devs to publish a game in Vietnam?**

**Sam Nguyen, Business Developer, VTC Mobile:**[The] Vietnam mobile gaming market is an emerging one with a lot of potential, it hasn't reached its thriving stage yet. I can mention some data showing the growth of this market: Vietnam's population is more than *93.4 million*. The number of mobile phone subscribers in Vietnam is 120 million while the number of smartphones being used is around *50 million*. The number of mobile gamers in Vietnam is between *20 and 23 million*. Vietnam ranks *third* in the world for the number of first-time smartphone users. It's estimated that there will be 17.22 million smartphones sold in Vietnam in 2014 and 82% of those are first-time smartphone users.

Now's the perfect timing for international game developers to publish their games here. Not too soon yet not too late for them and their games to have a position in this market.

**MGH: What kind of games do you usually look for to publish? Is it relative to the popular genre in Vietnam right now?**

**Sam:** We have been looking for many types of games: RPG (MMORPG, ARPG, etc.), SLG, SNG, FPS, Racing, etc. The most popular genre in Vietnam is casual games; however, the most profitable genre here is RPG.

**MGH: Who plays mobile games the most in Vietnam?**

**Sam:** The age range for the most active mobile gamers in Vietnam is from 15 to 35. There are more male gamers than female gamers.

**MGH: Where do you usual meet developers?**

**Sam:** We usually meet overseas developers in international game shows or game related events. Many developers also contact us online via email or business networks like LinkedIn.com. Some of them directly visit our office for face-to-face meetings.

**MGH: In Vietnam, what are the steps you take before publishing a game? What are the steps you take after publishing a game?**

**Sam:** Firstly, we need to evaluate the game to see if it fits [the] Vietnamese market. This work will be done by our R&D team with a detailed introduction of the game and a test build (APK file or IPA file). If the game is evaluated as good, we will discuss with its developer about License Fee/ Minimum Guarantee and Revenue share. After signing the contract, we will send the developer a list of adjustments to localize the game for Vietnamese market. When the game is fully localized, we will proceed with Alpha test, Closed Beta and finally, official launching.

During the time we operate the game in Vietnam, the developer needs to technically support us in fixing bugs, developing in-game events, creating more items, etc. In general, we are in charge of commercializing and doing marketing for the game while the developer is in charge of technical support.

**MGH: How do you coordinate with these developers whose games you've decided to take on?**

**Sam:** We work closely with developers during operating the game, especially during Alpha test and Closed Beta. We play a role as a middle man between our gamers and the game developers. All player feedback are gathered, evaluated and categorized before sending to the developers to deal with. The process is done at the highest speed in order to satisfy our gamers as soon as possible.

**MGH: How do you evaluate if a game can be published?**

**Sam:** For RPG and SLG, we prefer Chinese games because our gamers are already familiar with Chinese ancient stories like "[Three Kingdoms](#)", "[Journey to the West](#)" and "JinYong's martial novel". For other genres, the themes are more open so we have a lot of choices from other countries like Korea or the West.



**MGH: What game publishing strategies are effective for Vietnam? (Ex: marketing, monetization, distribution)**

**Sam:** Marketing for mobile games in Vietnam has been effectively done with the help of social networks like Facebook. Online marketing with viral strategies play an important role in promoting games here. However, the most effective marketing method in Vietnam is *game-cross-game*. This method requires the publisher to have a large gamer community which is built by their old and current games. That's why big publishers like VTC Mobile have a great advantage in promoting games in Vietnam.

In Vietnam, the biggest game stores are Google Play and AppStore. Beside those stores, we also publish games on local game stores to cover the largest customer base.

**MGH: How can you help a game become successful in Vietnam?**

A good marketing strategy will help a game become successful in Vietnam. As I mentioned above, online marketing and game-cross-game are good methods. Besides, we also hold in-game and offline events and other activities to enhance our gamer community.

**MGH: What kinds of positive results have you gotten from such in-game events?**  
**Sam:** A mobile game usually has short life-circle. In-game events make the game more interesting and keep users stay with the game longer. We hold in-game events very frequently for our games. They not only make the game more interesting but also enhance the interactivity among gamers as well as between gamers and the publisher. It improves the game revenue since the events offer many interesting money-making activities and some of them require an entrance fee to attend.

**MGH: What's the most important tip you can give developers who want to release a game in Vietnam?**

**Sam:** For an overseas developer, finding a good local publisher to make a partnership is the most important tip. A big and experienced local publisher knows their market well and already has an active gamer community to make sure the success of a new mobile game.

**MGH: What about the one thing game devs should *not* do when releasing a game in Vietnam?**

**Sam:** The most important thing that game developers should avoid when releasing a game in Vietnam is sensitive political and cultural issues. The Vietnamese government is not very strict on games. However, if the game contains sensitive issues such as sex or territorial dispute, the game will be forced to close. Therefore, before publishing a game, we always have to make sure it's a "clean" version.

Appendix 2: The conversation prism 4.0 (Solis, 2015)

